

TRANSCRIPT

STANDING COMMITTEE ON THE ECONOMY AND INFRASTRUCTURE

Inquiry into the Domestic Animals Amendment (Puppy Farms and Pet Shops) Bill 2016

Melbourne — 15 November 2016

Members

Mr Joshua Morris — Chair

Mr Khalil Eideh — Deputy Chair

Mr Jeff Bourman

Mr Nazih Elasmr

Mr Bernie Finn

Ms Colleen Hartland

Mr Shaun Leane

Mr Craig Ondarchie

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Ms Samantha Dunn

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Witnesses

Mr Matt Hams, owner, and

Ms Kirstin Hams, owner, Banksia Park Puppies.

The CHAIR — I extend a warm welcome to all present in the gallery this morning. The committee is hearing evidence today in relation to the inquiry into the Domestic Animals Amendment (Puppy Farms and Pet Shops) Bill 2016, and the evidence today is being recorded. All evidence taken today is protected by parliamentary privilege. Therefore you are protected for what you say in here today, but if you go outside and repeat those same things, those comments may not be protected by this privilege. Welcome to our witnesses present this morning, Mr Hams and Ms Hams. Thank you for providing some evidence to our committee. At this point I might hand over to your good selves to make some opening statements, and then we will move into some questions from the committee from there. So over to you.

Mr HAMS — Terrific. Thanks for having us, Josh, and thank you to the committee for hearing us today, and for raising this. We feel it is a very important issue, and we are very happy and grateful to have the opportunity to voice some of our concerns with the bill.

I think I would start out by saying that it is safe to say that everybody in this room is on the same page. We all want the same thing; we all want an improved standard of animal welfare across Victoria for dogs in breeding establishments and all dogs in that sense. We support an end to cruel breeding practices, and we support the intention of this policy — or at least the way that this policy has been framed up as stopping cruel and illegal practices. We support that wholeheartedly. We strongly disagree with certain aspects of the bill, and we will elaborate on that further. We do not believe that the bill in its current form will achieve improved animal welfare standards across Victoria.

Given the importance of this legislation we think it is very important that anybody who is making decisions that influence this legislation has a deep understanding of the industry and the issues and is able to look at all of those issues with a broader picture and understand that every action they take will have intended and unintended consequences, and we need to consider all of these when we are making this bill and getting it to the stage where it becomes legislation. A level of understanding as deep as that will only be achieved through evidence and also an open and transparent consultation program. This has not happened to date, and the government do not understand the industry in the manner that they need to to make such a bill.

This bill comes out hard on the heels of the 2014 code of practice, which was released by the previous government and which was subject to a lot of consultation and was an evidence-based approach. I was very involved, as were other stakeholders, in the drafting of that legislation, and it has seen Victoria having one of the higher standard codes of practice in the country — or the highest in the country. This code has not been given time to work. It was released in 2014. We had the election come up, and a lot of uncertainty went back into the industry. What we would like to see is a commitment by the government to adding resources to the code of practice that we have and following up with some enforcement and giving that code some time to work. This requires more resources and more commitment to local council and a genuine commitment to seeing this through and seeing it being enforced.

One of the key issues of concern we have with the current proposal is the limiting of 10 breeding dogs on breeders. There is no scientific evidence to suggest there is a link between this arbitrary number and the animal welfare standards in a breeding establishment. This is backed up by lots and lots of individual groups. I think even the RSPCA themselves have said that there is no evidence to suggest that 10 dogs will result in a higher standard of animal welfare.

I have been in the industry my entire life, and the best and worst examples come from across the gamut. I have seen large-scale places with very poor animal welfare standards, I have seen large-scale places with good ones and I have certainly seen some small-scale places that were horrible. Probably the worst I have ever seen have been in small-scale backyard establishments where people lack the understanding, the skill and the facility to care for the animals properly. We just truly do not believe that the size of the operation has any bearing on the animal welfare standards, and this bill seems to take the assumption that if you have 10 dogs, everything will be okay and the animal welfare standards will improve.

If you take large breeding businesses such as us out of the market, we are very concerned that it will push a growth in micro puppy farms and small, inexperienced backyard breeders. There has been a suggestion by some that demand is decreasing for the types of dogs that professional breeders breed. We specialise in crossbreds, poodle cross in particular. This is completely wrong; demand is the highest I have ever seen it in my career. We took some numbers at the moment. I currently have 220 people paid up on a waiting list for puppies. That is not

people who have registered an interest; that is people who have paid a deposit and are waiting for a puppy. That is 220 on that list right now.

I have 45 people on a waiting list for a retiring mum, and we have to tell those people there will not be another one available for six to eight months. When we have puppies for sale they go up on our website at 10 o'clock on a Saturday morning. They are sold within half an hour to 45 minutes, and we spend the next 3 or 4 hours apologising to people that they could not get a puppy today and they need to try again next week. We had a litter sale a couple of weeks ago in 35 seconds on six phone lines that ring. This just shows the demand and the fact that people want these puppies. There is a huge demand out there. Whether it is right or wrong or whether you agree with what we do, it is undeniable that the public and the people in the public want to purchase these puppies.

These puppies are selling in excess of \$3000, and to me there is a lot of incentive there for inexperienced and backyard breeders to get into this industry.

An honourable member — Per dog?

Mr HAMS — Yes, per dog — \$3000 or over. And we think that will really attract some of the poorer operators in to make a quick dollar. Our business is transparent, and many of our customers come and visit the property before they purchase their puppy, and we encourage these visits. We invest money back into our business to improve our standards, and we can do this because we are professional. We are full time. We have staff that manage every section of our business, and it is their job to be there with the animals all day, every day.

The government has created an expectation among Victorians that this bill will stop cruel and illegal puppy farming. It will not, and in fact we feel that this ideological approach will potentially make the problem far worse than it currently is. Puppy farming should be stopped under the current legislation that we have. If the current code was enforced, there are provisions in there to take care of a lot of the problems that we are seeing in the media nowadays. If there were some resources given to local council, we think they would be able to enforce the current code and improve standards dramatically. We need more time for this code to take effect and more resources committed to it.

Finally I just want to say that I have been in this industry for my whole life, and this potentially to me seems like one of the biggest disasters for this industry that I have ever seen. I have witnessed several attempts to legislate a solution to this problem. I have seen several attempts to self-regulate certain groups, all of which have failed due largely to the lack of resources and commitment to these codes of practice and groups. We have seen unfortunately some really good legislation come out recently and fall victim to political game playing, we feel. The last code that was brought out was a terrific code. It has not been given time to work, and we feel very disappointed about that.

Visual presentation.

Mr HAMS — Just quickly we would like to show you some pictures of the standards that we have for our dogs and that they contradict those that we see constantly in the media.

That is our core staff. That is our full-timers who are there every day. We have 25 people. They vary from day-to-day with different roles and different responsibilities, but that is our core team.

Mr ONDARCHIE — That is a very young employee.

Mr HAMS — Yes. He is one of the key staffers, though.

This is our touch, play, feel area. This is where young puppies start out. These are future mums. We start to get them used to different surfaces and build their confidence in different life experiences. What we are trying to do here is build up their confidence for when they retire, which takes place at about four and a half years. We desex them and put them into homes. Then the puppies come down to our place as they grow and develop. They will be in our house with our children. We do have a lot of dogs, but all of them will journey through this stage and come up to our place to get used to that sort of thing.

As they grow older again they will go into bigger group areas for exercise and activities. They spend still a lot of time with our staff. They have basic training — sit, stay, lead training and that sort of thing — to make them

assimilate better into their new homes. As they grow they continue to live in larger areas. That is a live-in yard right there. That is where the dogs live during the day and for the approximately eight months that they are not nursing puppies and things like that.

As they get bigger there is another big playground up the back. This is connected to their live-in yards as well. So every set of live-in yards will encompass a common area where the dogs can be let out to play, and you can see the live-in yards in the background there. That is Ash, one of our disabled staff members, of which we have several who come, and their sole job is to socialise the puppies and the dogs.

These are more adults who have come down to our place. There is another live-in yard. So that is the size of the yards that they live in. In that kennel are separate beds if there are two dogs in the live-in yard. Larger breeds have larger runs, so that is a live-in yard as well for those dogs.

There is a purpose-built birthing nursery. This is where the mums come to actually give birth. They will stay there for around 10 days. Those external yards are where they can go out and get some sun, but we do not separate them from their puppies, so they do not go out for group exercise within the first week of giving birth. We rear the puppies in this nursery here. They will stay there until they are six weeks old and start weaning and move outside. So there are some external exercise areas where the mums go.

The main reason I wanted to show those photos to the panel — and I understand that I have talked probably for longer than my 5 minutes — is that they are so contradictory to the messages and the images that we see in the media, and certainly they are contradictory to images that we have had published even about our own establishment. Unfortunately we feel that this legislation has been drafted on the back of a lot of that imagery and a lot of that misinformation, and we just do not feel that that is in the best interests of the dogs. To achieve what we want we need an open and transparent consultation process. So thank you for the opportunity to present that, and we will take any questions you have now.

The CHAIR — Excellent. Thank you very much for the presentation. I certainly make it known that I was very fortunate to be able to go to your establishment yesterday afternoon and have a look at the work that you are doing. I think the photographs that you have shown are certainly a good representation of what is occurring at your establishment and how you go about the work that you do, which clearly you are very passionate about and is something that you have invested a lot in not only financially but personally as well. I am interested to hear from you what impact this legislation would have on you going forward if it were to be introduced. What would happen to your business as it is now?

Mr HAMS — Our business as it exists today will be defunct. We have 150 fertile females at the moment that we manage. Ten obviously will be the end of that business in its current form. We always will have dogs; I have my entire life. I am third generation. My grandfather started the place, and then my father and now me, and I certainly hope my son will continue on with it. We will have dogs whatever the law states, but that certainly will not be in the standards that it is now or in a similar situation to what it is, and unfortunately those 25 people in our rural area will also lose their jobs. That would be a certainty under this current bill.

I think we will feel a disconnection from what we do. If we had 10 dogs we would have to go and get a full-time job. Currently our girls birth in a nursery with a full-time staffer just to look after our girls while they are giving birth. Under this current bill we will have 10 dogs, and unfortunately they will be alone for 8 hours during the day. I do not understand how this will be an improvement in the standards. So the impact will be devastating on our business and family as it sits right now.

The CHAIR — I suppose one of the key elements of this bill is to limit to 10 breeding females. In effect this bill demonises larger scale type operations. What are some of the benefits to your animals in having a larger scale operation?

Mr HAMS — I think scale is the thing that allows us to provide the standards that we do. There seems to be in this debate a lot of pressure on making money and that money is a negative thing for this industry. Money is what is required to employ the staff. We have half a million dollars annually in wages and HR costs. It is our scale that allows us to employ people full time to come and walk the dogs and play with the dogs. It is our scale that allows purpose-built nurseries with heated floors. It is our scale that allows a vet to be on site every week and also to have after-hours phone numbers for vets. Other people just do not get the sort of service that we get. It is our scale that allows us to be with the dogs full time. This is what we do. It is all we do. We do not have

other jobs that we have to go to, and we do not have other commitments in our lives. All we focus on is our dogs, and it is that scale that allows us to do all of that.

The CHAIR — You also mentioned obviously the price that people are willing to pay for their puppies — \$3000 and upwards. My family has a groodle — Gus the groodle — and I believe he cost several thousand dollars when he was purchased. Families similar to mine who are looking to get a poodle-cross of some description, if we are going to be taking out the larger scale operations and in effect reducing the supply, what is that going to do to the cost of puppies?

Mr HAMS — We anticipate the cost at least doubling in the next five to eight years. We have already seen dramatic increases in price over the last five years with the introduction of the other code and with people getting out of the market, as well as with an increase in demand. We have conducted a survey of our customers recently, and of very high importance to those customers was the right kind of dog. Certainly the low-shedding coat is important with the increase in allergies in children and things like that. Also up to 80 per cent of our customers suggested that they would either wait longer or pay more to get the type of dog that they wanted. Around 50 per cent had visited a pound or shelter prior to coming to us, and some of them for up to two years have been visiting pounds and shelters waiting for a dog that was appropriate for their family. They have not found them and they have ended up at our place and made their purchase. I think that it is a certainty that the price will rise. It will have to rise because we will not be able to meet demand, and that again is going to attract the less desirable people into the industry.

Mr EIDEH — I just want to know what you thought about online sales of domestic animals. What are your suggestions for improving this area, and do you think this bill's provisions in this area are sufficient?

Mr HAMS — No, I do not think it is sufficient. I think that online sales are a concern. I think that the proposal of a central database is a fantastic proposal, and we would really like to see that happen. Certainly I think that would go a long way to assisting the public in making their decisions. We think that as the bill stands right now every single puppy that is advertised should have that domestic animal business number there. Whether it is a shelter number or a domestic business number, it should be in the advertisement, so removing the loophole of just the microchips. A microchip can be falsified, and it is very difficult for an enforcing officer to chase that up, I think. We think that a central database is a really good idea.

Also we think that removing the transparent option for sales — i.e., pet stores and things — is going to make this a lot more difficult for enforcing officers to police. The internet is a big place. I do not think that they will have any possible way of managing online sales properly. That is not to say that we do not think that there should be improvements in the way that puppies are sold. We certainly would expect that pet shops across the board could have more rigorous enforcement and perhaps a stricter set of guidelines, but we do think that a shopfront and a transparent bricks-and-mortar place to sell puppies is the ideal environment to sell puppies.

Ms HARTLAND — I have got a number of questions. If we can go to the issue of price of the dog, you are saying on average now it is about \$3000 a dog?

Mr HAMS — Approximately, yes.

Ms HARTLAND — And you sell about a thousand dogs a year?

Mr HAMS — Annually, yes.

Ms HARTLAND — Do you sell any of those animals online?

Mr HAMS — We sell just about all of our animals online in the sense that they are reserved online. It is very open and transparent where they are coming from. The would go on to our website, which links also to our retailer's website. When the customer purchases a puppy from us they are given an option of a full tour; they can come down and meet mum and dad and see the puppy in the context of the litter. There is no point whatsoever that they are not aware of where the puppy comes from. It is always coming from us. We utilise online as a sales tool, as most businesses do nowadays.

Ms HARTLAND — Are any of those puppies flown interstate?

Mr HAMS — Occasionally we will sell puppies interstate, yes.

Ms HARTLAND — I am trying to get my head around the inspection regime that DOGS Victoria and RSPCA may do. Is there a standard by which establishments such as yourself are — —

Mr HAMS — Judged?

Ms HARTLAND — Well, inspected.

Mr HAMS — Yes, absolutely.

Ms HARTLAND — A routine inspection.

Mr HAMS — Yes. We are required to be inspected annually by local council, and we are inspected against the tick sheet that comes from the code of practice.

Ms HARTLAND — Only by local council, not DOGS Victoria or RSPCA?

Mr HAMS — I am not a DOGS Vic member, so local council is the only jurisdiction over us. RSPCA can respond to complaints of cruelty and things — that is my understanding — but local council enforces the code of practice and inspects us annually.

Ms HARTLAND — Have you ever had an adverse finding?

Mr HAMS — No.

Ms HARTLAND — From any of those inspections?

Mr HAMS — No, never.

Ms HARTLAND — Do you have a relationship with ACA Breeders?

Mr HAMS — Yes, that was a chain of pet stores which we owned in the beginning of my father's career. We actually started ACA Breeders Kennels and the pet stores as well. We owned them for a long, long time. As a child I have fond memories of owning those stores. We sold the stores in, I guess, the early 90s, perhaps, or something like that, and that was when we changed to Banksia Park. The name change was on account of the sale of that name to the Westervelt family. ACA Breeders as a going concern was sold and Banksia Park Puppies was born.

Ms HARTLAND — So you have no relationship with them in terms of the adverse findings? There is no relationship with that organisation now?

Mr HAMS — No.

Ms HARTLAND — Okay. DOGS Victoria in their submission talk about how they cover the whole industry. Can you talk about why it is you are not a member of DOGS Victoria?

Mr HAMS — I do not know the ins and outs of DOGS Victoria, but DOGS Victoria have a stringent code of their own which states that crossbreeding is not to be a part of DOGS Victoria. Simply the fact that we crossbreed automatically cancels our ability to be members of DOGS Victoria. We crossbreed for health benefits, and that is what society is demanding at the moment, but we are not able to be members of DOGS Victoria — it is an association specifically for purebreds

Ms HARTLAND — Do you in principle understand why it is that the government wants to eliminate puppy farms in terms of there having obviously been some horrendous examples? My understanding of ACA Breeders is that it is one of those examples. You have already clarified that you have no association with that organisation, but clearly there has been incredible mistreatment of dogs on a number of puppy farms. Can you talk about what it is that the government should be doing to make sure that that does not happen?

Mr HAMS — Absolutely, and we totally agree with the definition given to the term 'puppy farm'. I agree wholeheartedly that every puppy farm should be closed, and we want to see that as much as anybody else. Puppy farms by definition are substandard organisations that fail to meet the needs of the animals, and they place profit above welfare standards. Yes, I think everybody would agree that that should be ended and that

those places should be closed down. When we talk about council or government and what they should be doing, what this whole debate is going to come down to is whether or not they are serious and whether or not they will provide the resources to track this problem.

As I said, I have been in this industry my entire life. I was born into this industry and I have witnessed 20 years perhaps prior to around the early 2000s, 2010 of no enforcement whatsoever. There was no enforcement of the first code, which was a 1998 draft code. You can see by the flimsiness of it that it was a very small, ambiguous code and difficult to enforce. Then we went up to this code, which was the 2014 code. But for the 20 years from that 1998 code there was no enforcement whatsoever and councils were given no resources to do that. We are one of the largest in the country, I believe, and even on the days when the council was due to inspect us, they were often out chasing cattle, dealing with rubbish or dealing with other complaints. They were simply snowed under. I just want to clarify right now on the record that I am not accusing the council officers of that, but they just seemed to be not resourced to do the job that they were challenged with. Unfortunately this trend has continued right through. We are a big part of this industry and I know of lots and lots of smaller breeders in northern Victoria who have not seen an authorised officer for five to seven years, even in this current climate. That to me is astounding, it is not acceptable and it is a big cause of the problem.

The code of practice that we have now has provisions to stop just about everything that we see in the media in these large-scale places. The fact is that they are not enforced. Pyramid Hill was the famous one just recently — a big place. But Pyramid Hill was a licensed establishment. That meant it was paying government fees for the five years leading up to its revelation in the media. The Peace family, who I do not know, were fined \$200 000 in that instance, I think. To me, somebody from a government department should have been accountable for that — why those standards were like that after five years of their paying licences with no inspections whatsoever.

Ms HARTLAND — I will come back, Chair.

Mr BOURMAN — Thank you for your presentation. I will put it out there that I too have visited Banksia Park, but long before the legislation arrived. It looks exactly the same as it does in those pictures. We had some evidence given at our earlier hearings about consultation from, I think, Oscar's Law. Did you guys receive any calls or communications from the government to consult about this?

Mr HAMS — We have had I think in total three meetings with the government. Two were prior to the bill being released and one with the department, so not with the minister's office but with the department of — I am not sure what the acronym is now but it is the department that is responsible for this. But I will say we were very, very disappointed with those meetings. They were not consultation, we feel. They were more informative. We were told that this was what the bill would look like and this is what the law would be. There was no credence paid to our experience in the industry and there was no interest in the solutions that we had or our concerns with the policy. If I want to be blunt, we have emailed and had lots of contact with the minister's office that we have initiated and we have had no response to any of those contacts. All in all, we are extremely disappointed with the level of consultation and the manner in which the consultation took place.

Mr BOURMAN — I read in the media that your organisation was possibly planning to move to New South Wales should this legislation go ahead; is that correct?

Mr HAMS — Yes, that is correct. We have actually purchased a property in New South Wales. As I have said all along, we are a professional organisation. This is what we do, it is all we have ever done and it is all we want to do. We purchased the property in New South Wales because we needed to be realistic about what is happening here and what is happening for our future. I have young children to be concerned about and we carry a heavy load of debt from constructing the place that we have now. But also another key reason that we purchased the property in New South Wales is that potentially, according to this bill, as of next year we will be told that we are not allowed to replace any of our stock.

We have spent 20 years focusing on our bloodlines and building healthy bloodlines. We do not breed our dogs for the length of their tail, for the length of their nose or for the way their eyes sit. We breed our dogs for health and temperament. So I think one thing the government does not understand because of their lack of consultation is what is involved in breeding a healthy family pet. Also, to be told you cannot replace your dogs means within two and a half to three years our lines will be gone. The lines that we have spent 20 years developing will be lost if we cannot keep stock from those girls and improve and continue to keep that bloodline. If that happens,

there is not a place you can go and just purchase more healthy bloodlines. It is not like a cattle sale or a sheep sale. You cannot just say, 'I need to get some breeding dogs' and go and purchase them somewhere. Those dogs are just not around, and they are certainly not around in a manner where we have years and years of progeny return and history that we can continue, as we said, to develop and improve those lines. So Finley was purchased largely as an insurance policy to maintain those lines, which we consider are priceless now.

Mr BOURMAN — Should you move, what do you think will happen to all your current employees? I am asking a very obvious question, but it has got to be on the record.

Mr HAMS — Unfortunately they will not come. They will not be able to come. A lot of them are younger people. One of my key staff has said already that she will go to Finley; she will move. She is an older lady and I think she is very frightened with what is happening now. She is in her 60s and is concerned about her prospects. She has worked with us for a decade and is certainly worried about what will happen to her. But the young guys — the young disabled people who we have given jobs to — will lose this work and will have to find new work somewhere.

Mr BOURMAN — Given the state of the job situation in the Gippsland area, it is not a pleasant thought.

Mr HAMS — No.

Mr BOURMAN — One last thing, I guess, should the worst come to pass and you do move. You will be moving to New South Wales and I assume it is not illegal to sell across state borders, so it would be safe to assume that there will be more dogs being transported around the place to fill the need, even just in Gippsland or in Victoria. They will needlessly be sent here, there and everywhere when they could have been in Victoria.

Mr HAMS — Yes. Victoria is one of the largest purchasers of puppies in the country. The demand is high in Victoria, so we certainly anticipate that there will be a flood of dogs coming in from New South Wales, which is currently underregulated or there is no enforceable code up there or they do not have a licensing system at least. We intend to go to New South Wales, take our Victorian standards with us and set a benchmark standard in New South Wales.

The other thing I want to point out about New South Wales is that the reason we are here and the reason we are in Victoria is that it is the primary place in the whole country to breed dogs. Victoria is the best place in Australia to breed dogs, without a doubt. The reason for this is our climate. The temperatures and things where we live are perfect. We are not in Gippsland by accident; we are there because we did a lot of analysis before we decided to operate professionally. We do not have paralysis ticks, we do not have heartworm and we do not have certain mosquitoes that carry bugs that bother dogs. Again, this is something that I am pretty sure the government does not understand. It is not a mistake that the Wellington shire has more breeding licences than any other shire in Victoria, and that Victoria has more breeding establishments than the rest of the country. It is because it is the primary place to breed dogs. So it is a real concern again that the government would push an industry out of the optimal state for operating in.

Mr BOURMAN — I have one last question, if I could. Regarding the council visiting to check your standards, how often do you see the council?

Mr HAMS — I see the council around every three months on different things. I do an annual big audit, which takes a full day. That means going around picking up every dog and inspecting every corner of the property. That happens once a year. But we would see the council around every three months. They will call in for various different business. I am in their offices registering the dogs and doing things like that — notifying of retirees — so we see the council quite lot.

Mr ONDARCHIE — Thank you, Matt, and thank you, Kirstin, for coming in. We might share the load a bit here. Kirstin, how many times a year to the dogs have their puppies?

Mr HAMS — Kirstin is our marketing — she probably could have answered a lot of questions, but I am the breeding guy.

Mr ONDARCHIE — You jumped straight over the top of her.

Mr HAMS — I am the dog breeder.

Ms HAMS — Matt has been doing it his whole life, and I do a lot of the stuff to help him with the marketing.

Mr HAMS — The dogs will have a litter approximately three times in two years — around every eight months — but that can vary. It can be six months occasionally, but around every six to eight months they will have a litter.

Mr ONDARCHIE — Thank you. And the size of Banksia Park compared to other breeders?

Mr HAMS — We are the largest by a long shot. I think some of our nearest competitors have up to 30 and 40 dogs, but we are one of the largest that we are aware of.

Mr ONDARCHIE — Kirstin, the pictures were great. I am assuming they were not put together just for this committee, because others have indicated that they have seen this before. You really do care for your dogs; it is pretty clear. Do you chauffeur them around in limousines at all? Apparently that is the current thing — from the government anyway. Apparently that is the next standard. Have Minister Pulford or her direct advisers visited Banksia Park or Pines Puppies at all?

Ms HAMS — No, we have sent, I would say, at least four formal invitations to both her and the Premier, and we never received a response back from the minister.

Mr ONDARCHIE — Given, picking up Matt's words, you are the largest by a long shot, you said the department visited you, but given your expertise and your experience over generations, did anyone seek your advice or some counsel from you about how to construct this legislation?

Mr HAMS — I was asked to attend a private meeting with the department, for which I had to sign a confidentiality clause at. And again, this was an hour-and-a-half-long meeting. The best way for me to describe that would be authoritarian. We were basically told what the law would be, and I was asked if I could see any technical reason that it would not be enforceable or that it would not work. They were not interested in my opinion on whether it was a good thing for Victoria or the animal welfare concerns I had. It was basically a meeting to say, 'This is the law'. I truly feel it was to tick a box to say, 'Yes, we've talked to Banksia Park. We have talked to the industry. We can move on with this legislation now'.

Mr ONDARCHIE — The current legislation has not really been given a chance to run its course. Why then would this need to occur with this new legislation?

Mr HAMS — We feel that, unfortunately, it is partly a political game play, if I am going to be blunt about it. I feel that the code of practice was released in 2014 right in the lead-up to an election. There were a few people that were unhappy with various stages of the code. In fact nearly every sector was unhappy with the code, which to me suggests maybe you have hit the nail on the head — when nobody is thrilled with it and nobody is too disappointed with it. I believe that there was an opportunity identified there to gain votes, unfortunately. I do not think that this policy was born out of the idea of any thought. It is an arbitrary number. There was no basis for the number. Now that the bill has been put forward, we can see that there are a lot of people unhappy with it. I do not think there is any need for it. There is a need for time and resources to be given to the current code of practice.

Mr ONDARCHIE — If you perchance had 2 minutes with the minister now and she asked you, 'Should I pursue this or scrap and start again?', what would you say?

Mr HAMS — I would say scrap it and start again and put some resources and money into where we need them, which is on the ground enforcing the current code of practice that we have.

Mr LEANE — Thanks for your time today. I suppose in line with Craig's question, at the start of your presentation you said that you did support the intentions of the policy, but obviously you have indicated you have got some real concerns about the way you need to operate. How would you suggest that the intentions of the policy could be supported in a way that would not be adverse to your organisation?

Mr HAMS — That is a good question. I understand that this is a tough debate to have and that there are a lot of things that need to happen within the industry. I think it does not matter what happens here or what happens at the end of this inquiry or this bill, if the resources are not committed to the industry, it will fail. We have

witnessed a lot of others fail. One thing that I think would be a good solution to me would be that we do introduce a cap, if that is what the government feels is appropriate, but people are given the opportunity to prove that they can care for animals and then grow in accordance with their proof of that fact.

We cannot ignore the demand in Victoria. There is simply too much demand to ignore. Anywhere there is demand it will be filled, and we are concerned that it will be filled unethically. But I think that new businesses should start out small and then after inspections they need to prove their worth. Once they hit a certain benchmark, they can apply for an extension to, say, 25. When they hit that benchmark they can go 50 and right up to any number as long as they can prove that they can care for those animals. The standards that we saw on the presentation are exactly the standards that we have. I think certainly most of Victoria and all of the people who come and purchase our properties, which is roughly 1000 people a year, are very, very happy with that standard.

We would also like to see our standards improved dramatically. One thing we need, though, is regulatory certainty. We need some certainty from the government that the goalposts will not be moved again. We have faced around seven years now of uncertainty. These are all the codes of practice we have operated under since 2013. That is how many changes there have been. When you have got a young family and are trying to invest in a business, it is very difficult to do that when every second day they are telling you the rules are going to change or they are going to take the business away. We would love to have indoor hydro pools and all sorts of things, and we would certainly invest the money into doing that if we were given some form of certainty. My solution would be an aggregate increase when people hit the mark and prove that they can manage that amount of dogs.

Mr LEANE — Have you had frustration over the years because obviously you have endeavoured to do everything right, your standards are high and you have a demand, it sounds like?

Mr HAMS — Yes.

Mr LEANE — So have you had frustrations over the years with breeders that have not done the right thing, that have sort of undercut your industry? I suppose, getting back to the evidence and the questions that you have had, people are prepared to pay the money for the good-quality puppies for obvious reasons.

Mr HAMS — Yes.

Mr LEANE — So has there been frustration over the years?

Mr HAMS — There has been frustration for my entire time in this career, yes, at the lack of commitment and lack of resources that have not been there to enforce the rules properly. Given our transparency and our openness, the rules are often enforced very heavily on us, and so therefore our smaller competitors can supply the market cheaper and with a less-quality product than we do — if you want to call it a product. So yes, that has been frustrating, and we certainly think that that is something that needs to be addressed — the resources.

Mr LEANE — So you have felt like you are an easy location for the regulators to turn up to?

Mr HAMS — Well, certainly we are big and we are open and everybody knows we exist, so we tend to be enforced fully, which we appreciate and we love. Have you got something to say to that?

Ms HAMS — Yes, we like them coming because we like to tell our customers that we are fully audited, there is not one place that these auditors have not been, and we are really open to them coming in and we really welcome that.

Mr LEANE — Thanks.

Mr ONDARCHIE — Is the invitation still open to come and visit post this hearing?

Mr HAMS — Absolutely, yes. Invitations are always open to anybody — any official body, any group — to come and visit. We would love to have you guys down. We will organise a bus, if you like, and we will bring everyone down there.

Mr BOURMAN — Just be aware that you might get licked to death!

The CHAIR — Indeed. I want to just go through some of the perverse outcomes that we have heard would result from this bill, and just see whether or not we have got all of them that may come out of this bill. So an increased price of puppies is a perverse outcome that will come from this bill?

Mr HAMS — Yes.

The CHAIR — More small-scale operations?

Mr HAMS — Yes.

The CHAIR — As a result of more small-scale operations, less enforcement from council and the like? If they have got more operations they need to get to, they are less like to be able to get around to them all?

Mr HAMS — Well, certainly the current bill provides no explanation for how it will be enforced, so we can see that as the only outcome of that, yes.

The CHAIR — Are dogs being transported further distances if they are having to come from places like New South Wales into Victoria?

Mr HAMS — Yes.

The CHAIR — And of course losing jobs here in Victoria as well?

Mr HAMS — Yes.

The CHAIR — Okay. I just want to make the point also that yesterday you were very keen to show me around every part of your property, and I was certainly very interested to see that there was not a part of your property that you were not willing to take people to. We have heard from Oscar's Law and the like, who have decided to take aim at certain elements of the industry. Can you give us an idea of what types of things animal activists will try and do to operators like yourselves?

Mr HAMS — Yes. Over the last decade we have been targeted heavily by animals activists, given our size, again, and our openness. Everybody knows where we are. We certainly do not hide where we are. We tell everybody where we are, and everybody knows about it. There has been a lot of misleading information put out there. There is a photo that circulates constantly of an old place that my grandfather built and ran on our current property. It is a copulation complex, so where the girls go in peak oestrus to be paired with the right male. That photo is touted as the place the dogs live and die in. That is completely inaccurate and false. I took Josh there and showed it. It is now a woodshed — and has been for more than a decade.

So this debate has not been held on open and honest information. Anybody who is fed the information that they are being fed from extremist groups would naturally not like the industry. Our customers, when they come for tours, are stunned — absolutely stunned — given what they have read about the industry and what they actually see when they arrive. They are stunned — that is what can be said. Our facility needs to be taken into account with the entire facility. We often have had pictures published on websites and things of, say, a mum in one of our birthing suites, which is quite small, and it is quite small for a reason. At that particular time in the dog's life she wants a small enclosed space; she does not want to feel open and unprotected with her young puppies. The insinuation though, of course, is that that is where that dog lives her entire life: she does not come out of there; she sees no sunlight; she has no veterinary attention; she sees no friendliness; she does not get patted; she does not have a name.

These are the types of insinuations that are levelled at the industry and at us constantly. What you can see from the photos there is the reality of how those dogs live. They do not live in tiny, little dark cages their entire life. They are there for a specific reason and a specific time in their life. So that is very frustrating and hard to deal with, and the only way we could deal with it was open our doors and say, 'Everybody, you are welcome to come', and when they do come they are very, very impressed and very happy and also extremely supportive once they realise what has been happening to the industry.

The CHAIR — Thank you.

Ms HAMS — And you will also find many letters from all those people who have come on tours in the packs that you have got provided.

The CHAIR — Great. Thank you.

Mr HAMS — The difference with those letters is they are people who have attended the property, not people who have read sensationalist arguments and ideas. Those are people who have walked through our property and met the dogs and purchased puppies from us.

Mr BOURMAN — Should this legislation go through as is, what do you think would be the net effect on animal welfare?

Mr HAMS — The government has actually openly said they want to take the industry away from professionals. I cannot think of an industry where it would be a good idea to do that. I think it is indicative of their lack of understanding of the industry. There is a lot involved in breeding a dog. We have seen some things, even with friends of ours, who have got their dog pregnant in their backyard. They have not understood the nutritional requirements, they have not understood the birthing process, and the dogs have suffered through a lack of experience, lack of facility and lack of knowledge as to what is happening. For the government to suggest that this should be done in backyards, this should be taking place in living rooms, to me is absurd. It shows that they do not understand what is involved in breeding a dog. Breeding a dog, like milking a cow, like any other facet of farming, requires skill, understanding and experience and expertise as well as facilities, so I think that there will be a lot of bad outcomes that happen. The thing is we will never hear about them. They will not be in the media. They will just happen in the living rooms and backyards of inexperienced people, and that will be really sad for the dogs in those situations, I think.

Mr BOURMAN — So to paraphrase, you think that there will be no increase in animal welfare and probably a decrease?

Mr HAMS — I think that per dog or by percentage dogs will spend more time — there will be worse outcomes for dogs giving birth to puppies in Victoria than there is currently now. Yes, that is right.

Ms HARTLAND — I just had a query in terms of your plans to go to New South Wales. Where in New South Wales exactly?

Mr HAMS — In the town of Finley it will be.

Ms HARTLAND — How close is that to the Victorian border?

Mr HAMS — Very close. I think it would be 20 kilometres maybe to 30 kilometres.

Ms HARTLAND — So you will continue to do business in Victoria?

Mr HAMS — Absolutely. It is our intention to sell pups to Victoria, yes. Victorian families want puppies. We are not hiding that at all. It is our intention to supply the Victorian market. They will have to drive up to Finley to purchase the puppy, but that is what we will do. People in Victoria deserve the right to have a choice, and we intend to continue to serve that choice. It is all we have ever done and we will continue to do it. We will be as open as we are now and we will be as transparent as we are now, but we do intend to serve the Victorian market.

Ms HAMS — It will just also be sad for the 25 people in Victoria then who lose their jobs, and those jobs will be given to the Finley people.

Ms HARTLAND — Have you already purchased land there?

Mr HAMS — Yes, we have.

Ms HARTLAND — And is there a partnership, or is it just Banksia?

Mr HAMS — We have purchased land up there with our retailer from Pines Pets, which is Nick Croom.

Ms HARTLAND — With that partnership will you produce puppies that he will sell? What is that relationship?

Mr HAMS — Essentially Nick and I will be business partners. It is not Banksia Park. It is a new company that has been formed, and we will sell puppies in whatever manner the government allows us to do. We will always work within the confines of any legislation that is handed to us. We will develop a method of selling puppies to Victoria that fits within the guidelines set by this piece of legislation. None of this is being done as a secret, and it has always been our intention to sell back to Victoria.

I would also like to say on that that the reason we involve a retailer is the same reason every other sector of any production or farm uses a retailer. It is because our expertise is in raising healthy puppies. Our time is taken up by spending it with our dogs. It is not in retailing, and we do not have the facilities or set up to retail at our place. It is the same reason that a mango farmer does not want people coming and buying individual mangoes. He is not geared up to do it. His expertise is in growing the mangoes. That is the same with us with the puppies. We spend all of our efforts on raising healthy puppies.

When we sell a puppy, that customer needs constant after-sales service. They need someone on the end of the phone 24 hours a day. We need to spend 24 hours a day focusing on our puppies. That is the reason that we involve a retailer. There is often an insinuation that we involve a retailer so we can hide. In fact all of the people who purchase our puppies know exactly where they are coming from. They are given a branded book and they are given a tour of our property. The transaction takes place because that is the environment in which transactions best take place.

Ms HARTLAND — Pine Pets has a number of retail outlets, I presume.

Ms HAMS — Just one.

Ms HARTLAND — Just one.

Mr HAMS — Just the one, and they only sell our puppies.

Ms HARTLAND — Where are they based?

Mr HAMS — In Doncaster.

Ms HARTLAND — So you will be breeding in New South Wales and shipping the dogs to Doncaster.

Mr HAMS — No, their business will cease to exist after this bill comes in if it comes in its current form.

Ms HARTLAND — Okay. Where will they go?

Mr HAMS — They will come with us to the property.

Ms HARTLAND — All right; and so then you will have a retail outlet that will be operated by Pine Pets?

Ms HAMS — It is not a retail business yet —

Mr HAMS — It will not be a retail outlet.

Ms HAMS — until we know what is going come of the bill.

Ms HARTLAND — I am a bit confused. You have already purchased the land there.

Mr HAMS — Yes.

Ms HARTLAND — So if the legislation comes in, you intend to move your business there.

Mr HAMS — Yes.

Ms HARTLAND — But if the legislation does not come in, do you still intend to use that property?

Mr HAMS — If the legislation does not come in, it will be best waste of money we have ever had in our lives. We will be thrilled, and we do not intend to move there if the legislation does not come in, no.

Mr ONDARCHIE — I just want to know how many employees does Pines Pets have.

Mr HAMS — About seven, I think, six or seven, including the two owners, Nick and Jo.

Mr ONDARCHIE — So if this goes through we are talking in the order of 33 to 34 jobs.

Mr HAMS — Just in our connected businesses alone, yes.

Mr ONDARCHIE — Thank you.

The CHAIR — Excellent. Thank you very much for your evidence this morning. I will just remind you that you will receive a copy of your evidence in the transcript in coming weeks for proofreading, and that will ultimately make its way onto the committee's website. Once again thank you for your attendance this morning.

Mr HAMS — Thank you very much for having us.

Witnesses withdrew.